

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11 Case No.  
LEHMAN BROTHERS HOLDINGS INC., *et al.* : 08-13555 (JMP)  
Debtors. : (Jointly Administered)  
: :  
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**ORDER AUTHORIZING REJECTION OF RESERVE FUND AGREEMENTS**

Upon the motion dated September 25, 2009 by the Tobacco Settlement Financing Corporation (the “TSF”) for an Order (a) requiring Lehman Brothers Special Financing Inc. (“LBSF”) to assume or reject two executory contracts pursuant to 11 U.S.C. § 365(d)(2) or, alternatively, (b) modifying the automatic stay to allow the TSF to terminate the executory contracts (the “Motion”); and it appearing that notice of the Motion was good and sufficient under the circumstances; and LBSF having determined to reject the executory contracts identified below; and after due deliberation and sufficient cause appearing therefor; it is hereby

ORDERED that LBSF hereby is authorized to reject (i) that certain Reserve Fund Agreement dated June 19, 2003 among the TSF, as issuer, the Bank of New York (“BONY”), as trustee, and LBSF, and (ii) that certain Reserve Fund Agreement dated December 2, 2003 among the TSF, as issuer, BONY, as trustee, and LBSF (together, the “RFAs”); and the RFAs are hereby rejected as of the date hereof pursuant to 11 U.S.C. § 365(a); and it is further

ORDERED that any claims arising from the rejection of the RFAs shall be filed in compliance with the terms of this Court's Order Pursuant to Section 502(b)(9) of The Bankruptcy Code And Bankruptcy Rule 3003(c)(3) Establishing The Deadline For Filing Proofs of Claim, Approving The Form And Manner of Notice Thereof And Approving The Proof of Claim Form, entered July 2, 2009 in the above referenced cases [Docket No. 4271].

Dated: New York, New York  
October 16, 2009

*s/ James M. Peck*  
HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE